

Message Text

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ACTION XMB-04

INFO OCT-01 ARA-14 ISO-00 EB-08 HA-05 NSC-05 SS-15
PA-02 ICA-20 CIAE-00 INR-10 NSAE-00 /084 W
-----073912 272102Z /70

R 261950Z JUL 78
FM AMEMBASSY BRASILIA
TO SECSTATE WASHDC 8422
AMCONSUL RIO DE JANEIRO
AMCONSUL SAO PAULO

UNCLAS BRASILIA 5848

E.O. 11652: N/A
TAGS: EWWT, EFIN, BR
SUBJECT: EXIM BANK FREIGHT FINANCING - JORNAL DO BRASIL ARTICLE
JULY 23

FOLLOWING IS AN INFORMAL TRANSLATION OF JULY 23 JORNAL DO BRAASIL (RIO DE JANEIRO) EDITORIAL TITLED "SYMBOL IN ECLIPSE" ABOUT WITHDRAWAL OF FREIGHT FINANCING BY EXIM BANK.

BEGIN TEXT: TWO DRASTIC MEASURES TAKEN LAST WEEK ALMOST SIMULTANEOUSLY BY THE OFFICIAL AMERICAN BANK FOR THE FINANCING OF EXPORTS AND IMPORTS (EXIM BANK) HAVE BEEN ANNOUNCED. FIRST, EXIM BANK DENIED FINANCING TO AN AMERICAN FIRM WISHING TO PRODUCE TURBINES FOR THE YACIRETA POWER PROJECT, WHICH ARGENTINA AND PARAGUAY ARE DEVELOPING JOINTLY NEAR ITAIPU ON THE PARANA RIVER. SECOND, IT INCLUDED A STRANGE CLAUSE WITHIN THE FINANCING CONTRACTS WITH AMERICAN FIRMS THAT WISH TO EXPORT TO BRAZIL: THEY CAN'T TRANSPORT THEIR GOODS IN BRAZILIAN SHIPS.

THE SUSPENSION OF FINANCING TO AN AMERICAN FIRM WISHING TO SUPPLY THE YACIRETA POWER PROJECT WAS JUSTIFIED BY THE ARGUMENT THAT HUMAN RIGHTS VIOLATIONS
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HAVE BEEN COMMITTED BY ARGENTINA. AFTER JIMMY CARTER ASSUMED OFFICE, THE AMERICANS HAVE INSISTED ON LINKING LOANS OF THEIR OFFICIAL BANKS--AS IS THE CASE OF EXIM BANK--AND OF INTERNATIONAL BANKS WHERE THEY TAKE PART-- SUCH AS THE WORLD BANK--TO RESPECT OF HUMAN RIGHTS.

CONCERNING THE BRAZILIAN CASE, THE JUSTIFICATION

RECALLS THE TIMES OF THE "BIG STICK" POLICY, WHEN THE AMERICANS CONSIDERED THEMSELVES THE "CONDOTTIERI" OF THIS PART OF THE WORLD: AMERICAN GOODS CANNOT BE SHIPPED TO BRAZIL IN BRAZILIAN SHIPS BECAUSE THE GOB RECENTLY HAMPERED THE USE OF A CERTAIN TYPE OF CONTAINER BY AN AMERICAN FIRM, FOR BEING INCONSISTENT WITH BRAZILIAN STANDARDS.

SO, WHILE IN ONE CASE THE BANK INVOKES HUMAN RIGHTS, IN THE OTHER CASE IT SHOWS DISRESPECT FOR THE MOST ELEMENTARY RULES OF COMMERCIAL LAW. IT IS REGRETABLE THAT A NATION WHICH PRACTICES A POLICY OF MARKET ECONOMY AND FREE INTERNATIONAL EXCHANGE USES SUCH A SUBALTERN EXPEDIENT IN SUPPORT FO A MINOR BUSINESS INTEREST.

THE AMERICANS ARE TAKING THE RISK OF IMPAIRING THE PRESTIGE OF THEIR HUMAN RIGHTS POLICY BY USING THE SAME REPRISAL AGAINST VIOLATIONS OF THE MOST NABLE SENTIMENTS OF DEMOCRATIC PEOPLES, IN SUPPORT OF THE SECONDARY INTERESTS OF A BUSINESS CORPORATION UNABLE TO PLACE IN THE BRAZILIAN MARKET A PRODUCT IT MAKES.

IT IS STRANGE THAT THE EXIM BANK STILL MAINTAINS THIS DISCRIMINATION AFTER THE AMERICAN FIRM, SITTING UNCLASSIFIED

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AT A NEGOTIATING TABLE WITH OTHER SHIPPING COMPANIES THAT CARRY THE TRADE BETWEEN BRAZIL AND THE US, ARRIVED AT AN ACCORD LAST WEEK. IT MIGHT ALSO BE REMEMBERED THAT THE GOB, TWO YEARS AGO, AFTER JUSTIFIED COMPLAINTS BY AMERICAN SHIPPING COMPANIES, REVOKED A DECISION LINKING EXPORT INCENTIVES TO THE USE OF BRAZILIAN SHIPS.

IN THIS EPISODE, THE GOB HONORED THE PRINCIPLES OF FREE COMMERCE MUCH MORE THAN THE AMERICANS, WHO USED TO EXALT THE VIRTURES OF AN OPEN ECONOMY. END TEXT.
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Message Attributes

Automatic Decaptoning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FREIGHT RATES
Control Number: n/a
Copy: SINGLE
Draft Date: 26 jul 1978
Decapton Date: 01 jan 1960
Decapton Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 jan 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978BRASIL05848
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780308-1100
Format: TEL
From: BRASILIA JOINT
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780716/aaaaanfj.tel
Line Count: 106
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 8e45d76b-c288-dd11-92da-001cc4696bcc
Office: ACTION XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 mar 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1872665
Secure: OPEN
Status: NATIVE
Subject: EXIM BANK FREIGHT FINANCING - JORNAL DO BRASIL ARTICLE JULY 23 FOLLOWING IS AN INFORMAL TRANSLATION OF JULY 23
JO
TAGS: EWWT, EFIN, BR
To: STATE RIO DE JANEIRO
Type: TE
vdkgwkey: odbc://SAS/SAS.dbo.SAS_Docs/8e45d76b-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014